



THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD  
KAY WILLIAMS, EXECUTIVE DIRECTOR

February 16, 2001

Christina Schaefer  
Legislative Fiscal Bureau  
Statehouse

Re: Subcommittee Request Concerning 5% Deappropriation

Dear Ms. Schaefer:

Please find the attached memorandum that serves as the Board's response to the inquiry from the Administration and Regulation Appropriations Subcommittee concerning a proposed 5% deappropriation.

I hope that my response sufficiently addresses the question raised to the Board. If the Subcommittee desires additional information, please notify me.

Sincerely,

W. Charles Smithson  
**Legal Counsel for the Board**



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IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD  
KAY WILLIAMS, EXECUTIVE DIRECTOR

**TO: ADMIN. & REG. APPROPRIATIONS SUBCOMMITTEE**  
**FROM: W. CHARLES SMITHSON, LEGAL COUNSEL WCS**  
**DATE: FEBRUARY 16, 2001**  
**Re: 5% DEAPPROPRIATION RESPONSE**

This memorandum is in response to a request by the Administration and Regulation Appropriations Subcommittee concerning a possible 5% deappropriation and the impact of said deappropriation on the Board's services.

I first note that I generally do not lobby on behalf of the Board's budget. Rather, my appearances before the General Assembly are to discuss legislation involving Iowa Code chapters 56 and 68B. However, given the absence of the Board's Executive Director during the timeline for submittal of a response, I have been asked to respond on the Board's behalf.

The following is my response, on behalf of the Board, to the Subcommittee's request:

1. I have provided the Subcommittee with a budget breakdown (**See Exhibit 1**).
2. The Board has \$234,535 available in its budget. A 5% reduction would amount to an elimination of \$11,726.75. Thus, the Board would have \$222,808.25 remaining for FY 2001.
3. I have provided the Subcommittee with a breakdown of how the Board spends the allocated funds (**See Exhibits 2 and 2A**). I do want to remind the Subcommittee that the Board is the smallest agency in terms of budget and staff.
4. As you can see, most of the funding is spent on "fixed" costs and on salaries. Therefore, a reduction of \$11,726.75 is a substantial amount of the Board's operational funds.
5. Such a reduction leads the Board to the unenviable, and inescapable, position of reducing one member of the Board's staff to part-time status. Of course, the reduction of any staff member to part-time status also leads to a reduction of the Board's ability to provide its statutorily mandated duties. The Board serves the public by promoting the public's trust and confidence in government through the oversight of the campaign finance laws and ensuring the ethical conduct of executive branch employees and executive branch lobbyists.
6. Forcing the Board to reduce a staff member to part-time status and thus reducing the public's trust and confidence in government is a message that I believe none of us desire to send or have the media make into a news story.

I appreciate the Subcommittee providing the Board with the opportunity to offer a response to this issue and I hope the Subcommittee considers the drastic result on the Board's ability to serve the public if a 5% budget deappropriation is imposed. If the Subcommittee has any questions or concerns, please notify me.

	<u>Budgeted</u>	<u>Spent</u>	<u>Remaining</u>
Personal Services	441,803	256,122	185,681
Travel	12,508	3,926	8,582
Supplies (Other than Postage)	10,000	3,377	6,623
Postage	7,000	4,433	2,567
Equipment Maintenance	5,000	2,808	2,192
Printing	500	5	495
Communications	6,300	2,576	3,724
Rentals	3,600	2,398	1,202
Outside Services	7,100	999	6,101
ITS Reimbursement	3,655	2,169	1,486
Reimburse Other Agencies	300	233	77
Workers Compensation	544	293	251
Office Equipment	1,500	40	1,460
Data Processing Inventory	2,000	815	1,185
Data Processing Non-Inventory	15,000	2,091	12,909
TOTAL	516,810*	282,275	234,535

\*Includes \$800 for photocopies and \$505 refund of overpayment

EXHIBIT

**BREAKDOWN/SYNOPSIS OF PAYMENT  
ALLOCATIONS TO BUDGET ACCOUNTS  
(MORE DETAILS)**

**Personal Services**

Includes salaries and the state's share of payroll taxes and fringe benefits for 8 FTE positions, and 6 Board Members per diem payments for board meetings, subcommittee meetings and administrative hearings.

**Travel In State**

Includes the travel reimbursement costs for 6 Board Members and agency staff members on state business.

**Travel Out of State**

Includes the travel reimbursement for staff attendance at conferences of peer associations, such as the national conference of the Council on Governmental Ethics Laws (COGEL) and regional meetings of Heartland COGEL.

**Office Supplies**

Includes the normal desk and filing supplies; copy machine paper, toner and developer; computer printer paper and toner; fax machine paper and toner; postage state meter, postage stamps and UPS and other contract delivery charges.

**Equipment Maintenance**

Includes the maintenance agreements on office equipment, as well as the cost of repairs for copy machines, typewriters, computers, fax machines, etc. not under maintenance agreements.

**Printing and Binding**

Includes the cost of printing disclosure forms sent to printing, and all of the state generated forms (such as travel vouchers, requests for travel authority, etc.), chipboard backing, and copy charges made by other agencies (such as the law library).

**Communications**

Includes the cost of agency phone lines, local and long distance calls and charges for use of ICN facilities, including the annual fee charged to state agencies by ICN, e-mail and Internet charges, (This account is severely under-funded.)

**Outside Services**

Includes charges from news clipping service, costs of court reporters, costs of sheriff's service, training, computer support vendor contract, temp personnel, and investigative services.

**Reimburse Other Agencies**

Includes mandatory inter-agency charges, such as standard assessments for the Employee Assistance Program, pro-rated share for administration of the STAR achievement awards program, and miscellaneous charges made by other agencies.

EXHIBIT  
2

**BREAKDOWN/SYNOPSIS OF PAYMENT  
ALLOCATIONS TO BUDGET ACCOUNTS  
(continued)**

**ITD Reimbursements**

Includes charges made by the state agency, Information Technology Department, for the connections to the state's computer in order to process employee payroll, personnel transaction documents, purchase orders, invoices, travel claims, etc., charges for revisions to existing programs designed by ITD.

**Rentals**

Includes the monthly cost for the lease of the large copy machine used by both the public and staff.

**Workers Comp Charges**

Includes the premiums charged to the agency by the state for its share of workers compensation reimbursement.

**Office Equipment**

Includes purchase of needed inventory equipment (such as copy machines, calculators, file cabinets, misc. office equipment and furnishings such as chairs or desks).

**Data Processing Non-Inventory**

Includes design and production of new software programs, support and maintenance of existing software programs, upgraded new versions of existing electronic filing software, maintenance of Novell network, trouble-shooting and assistance to filing committees, preparation of software disks and CD Roms, and key disks, software purchases and/or upgrades, hardware upgrades, network hardware maintenance, and data processing equipment maintenance and miscellaneous information technology parts.

**Data Processing Inventory**

Includes purchase of computers, printers, monitors and servers.

EXHIBIT

2A



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SALLY J. PEDERSON, LT. GOVERNOR

IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD  
KAY WILLIAMS, EXECUTIVE DIRECTOR

**TO: THE HONORABLE NEAL SCHUERER, SENATE CHAIR  
THE HONORABLE J. SCOTT RAECKER, HOUSE CHAIR**

**FROM: W. CHARLES SMITHSON, LEGAL COUNSEL** *WCS*

**DATE: FEBRUARY 16, 2001**

**Re: APPROPRIATIONS SUBCOMMITTEE REQUEST**

This memorandum is in response to a request by the Administration and Regulation Appropriations Subcommittee concerning the Board's Schedule 9 Personal Utilization Report for FY 2001 Projected v. Budgeted Personnel services. Specifically, the Board has been asked to respond to the possible deappropriation of \$4,284.00 that appears to be under budget.

I first note that as a general rule I do not lobby only on behalf of the Board's budget. Rather, my appearances before the General Assembly are to discuss legislation involving Iowa Code chapters 56 and 68B. However, given the absence of the Board's Executive Director during the timeline for submittal of a response, I have been asked to respond on the Board's behalf.

The following is my response, on behalf of the Board, to the Subcommittee's request:

1. \$940.00 of the amount is an upgrade of the Board's Administrative Assistant 2 to an Executive Secretary. This upgrade is more than what was projected.
2. There will be four (4) more Board meetings this FY at \$322.95 per meeting for a total of \$1,291.80 of the amount in question.
3. There will be four (4) days on which a contested case will be heard by one of the members of the Board (acting as a Presiding Officer) for a total amount of \$215.30.
4. This leaves a total amount of \$1,837.00 of the original \$4,284.00 projected as being under budget.

As the Board is the smallest agency in terms of both budget and staff, any deappropriation or budget reduction is greatly felt. I hope the Subcommittee considers the impact of any deappropriation on the Board's ability to perform its statutory duty of promoting the public's trust and confidence in government when considering this issue.

If the Subcommittee has any questions or concerns, please notify me.